

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3283-01
BILL NO.: HB 1401
SUBJECT: Elderly; Taxation and Revenue-General-Income
TYPE: Original
DATE: February 14, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue (DOR)** state this legislation modifies the shared care tax credit to make it refundable. This proposal would have little or no fiscal impact to their agency.

Officials of the **Department of Social Services-Division of Aging (DA)** state this legislation repeals section 660.055 RSMo Supp. 1999, relating to tax relief for shared care, and enacts one new section in its place which would allow any registered care giver of an elderly or disabled individual who meets the requirements to be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to assist in defraying the costs of care. This tax credit would be refundable and shall apply to any year after December 31, 1999.

DA staff assume that the proposed legislation would ensure individuals who were eligible for the shared care tax credit, and who had little or no tax liability to apply this credit against, would be issued a refund by the Department of Revenue.

Since there is no modification to the other requirements regarding share care, there is no fiscal impact to their agency.

HB 316 from last session included the shared care tax credit. In the estimate made on HB 316, **Oversight** assumed that the 5,378 persons eligible for the credit would be able to take the full \$500. Therefore **Oversight** has reflected the revenue impact of this proposal as zero.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

L.R. NO. 3283-01
BILL NO. HB 1401
PAGE 3 OF 3
February 14, 2000

DESCRIPTION

This bill allows any amount of the shared care income tax credit which exceeds the taxpayer's income tax liability to be refunded to the taxpayer. The provision will apply to tax year 2000 and thereafter.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Social Services

A handwritten signature in black ink, appearing to read "Jeanne Jarrett".

Jeanne Jarrett, CPA
Director
February 14, 2000